ARTICLE APPEARED ON PAGE D.C. II

THE WASHINGTON POST 12 November 1981

Carter Tried To Deny Brandt Payola Report

One of then-President Jimmy Carter's first international statements, in February, 1977, was intended to scotch reports that former West German chancellor Willy Brandt had received secret cash payments from the CIA in the 1950s.

The reports had stemmed from an allegation-deleted from the book, "The CIA and the Cult of Intelligence," by Victor Marchetti and John D. Marks that Brandt had accepted CIA payola.

Brandt had heatedly denied the charge, and Carter said-or seemed to say-that it was both "groundless"

and "reckless."

But four knowledgeable intelligence sources have told my associate Dale Van Atta that Brandt and the Social Democratic Party he once led did receive money from the CIA until at least 1956.

One of the most interesting transactions occurred in February 1956, and its details read like a Hollywood spy movie scenario

The cover for the payoff was a meeting in Berlin of the International Rescue Committee, an organization founded in 1933 to help victims to the CIA agent and the future chan-

of Nazi persecution. After World War-II, the IRC turned its attention to refugees from the Soviet bloc. The committee, while serving a legitimate function, had always cooperated with U.S. and British intelligence.

William (Wild Bill) Donovan, former head of the Office of Strategic Services, the CIA's wartime predecessor agency, was in charge of the

At the time, he headed a special IRC commission assigned to protect Iron Curtain defectors from being forced back to Eastern Europe.

An IRC dinner was scheduled for Feb. 27 in Berlin. Those in attendance were German politicians, labor leaders and IRC board members, including Claiborne Pell, now ranking minority member of the Senate Foreign Relations Committee.

Shortly before that dinner, Donovan hired two couriers to deliver the cash to Brandt. They were paid at least \$1,000 each.

The first courier, a longtime CIA agent and an old friend of Donovan, was told that his mission was "vital to the government." Donovan gave him a locked briefcase which he said contained German marks "in the six figures," or at least \$25,000 at that time.

Brandt and the courier rendezvoused in their cars near the Brandenburg Gate, the boundary between East and West Berlin. Both offered "recognition phrases." Then

and cnatted about politics. At some point, the courier handed over the briefcase.

The next day, the second courier met Brandt at a bar in West Berlin. and delivered the key to the brief-المداج والأثقا

Later in 1956, Brandt's political star rose suddenly when he talked a money transfer. crowd of 75,000 Berliners out of marching toward the East-West boundary for a confrontation with the Soviets. In 1957, Brandt was elected mayor of West Berlin, a vantage point from which he ran successfully for chancellor of West Germany in 1969.